

<b>Applicant Name</b>
<b>Nationwide Reference (MPOS)</b>
<b>Property Address</b>

## IMPORTANT INFORMATION

- In the first 5 years of the Mortgage with Nationwide is there any requirement to repay the equity share loan and/or is there any interest charged on the equity share loan in addition to the equity share appreciation<sup>6</sup>? If yes to either or both questions then the scheme is not acceptable to Nationwide.
- We will only allow Equity Share cases to be on a Repayment basis.

**Equity Shareholder Name:** \_\_\_\_\_

*(The Service Centre has specific instructions on how to key First Buy, FirstSteps and HomeBuy Direct schemes – for these insert only the scheme name)*

**Full Purchase Price (or full value if a remortgage<sup>7</sup>):** £ \_\_\_\_\_

**Reduced Price:** £ \_\_\_\_\_

**Amount of the equity share Loan:** £ \_\_\_\_\_

**Equity<sup>2</sup> share loan x 3%/12 =** £ \_\_\_\_\_

**Amount of deposit (purchase):** £ \_\_\_\_\_

**Source of deposit<sup>5</sup> (purchase):** \_\_\_\_\_

- The applicant's own resources
- Gift from family/friends (the gift must not be repayable under any circumstances and have no conditions attached)
- A combination of the above

## Important Points to Note:

1. The LTV calculation for products and credit scoring will be based on the lower of the full price or full value of the property.
2. For all equity share loans, Nationwide includes 3% of the equity share loan as an outgoing in the affordability calculation and this should be included on the application form.
3. For purchases, a minimum 5% deposit, based on the reduced price, is required from the applicants' own resources and/or gift.
4. Equity Share applications from Non EEA Nationals without indefinite leave to remain are not acceptable.
5. We will not accept equity share cases where a builder deposit/cashback is offered even if it is in addition to the acceptable deposit sources listed above.
6. For at least 5 years there must be no requirement to repay the loan and in this period there must be no interest charged on the loan in addition to the equity share appreciation.
7. We will only consider additional borrowing on remortgages for home improvement purposes. Please check the Equity Share holder will be willing to postpone their charge before submitting the application.
8. Applicants must be informed that we cannot guarantee to make additional funds available at a later date in order to repay the loan.
9. Acceptable equity share holders (see table below):

Equity Share Holder/Scheme	Maximum Equity Share Loan (% of full purchase price)
Volume Builder i.e. regional, national	25
Government	50
Homebuy Direct	30
FirstBuy (inc FirstSteps)	20
Housing Associations/Registered Social Landlord	50
Local Authority	50